Fiscal TOPICS



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Inmate Telephone Fund

Purpose

lowa Code section <u>904.508A</u> authorizes the Department of Corrections (<u>DOC</u>) to establish and maintain an Inmate Telephone Fund for receipt of money generated by offender telephone calls at each correctional institution. The funds are to be used for the benefit of offenders in the Institutions, and the DOC is required to have administrative rules for expenditures. All expenditures from the Fund are to be approved by the <u>Board of Corrections</u> before they are incurred.

Telephone System Administration

The DOC contracts with the lowa Communications Network (ICN) to provide the backbone of the inmate telephone system. The ICN manages all procurement, bidding, and contract management; and provides call detail and telephone logs to the DOC. The ICN, through the Request for Proposals (RFP) process, selects a private sector vendor to provide security services that include equipment and equipment maintenance, call blocking and monitoring, and taping equipment. Telephone calls can be monitored for illegal activity, but telephone calls with the offender's attorney are not monitored.

The ICN submits detailed invoices to the DOC for processing and payment. Telephone charges are then deducted from the offender's telephone account. An employee at the Iowa State Penitentiary at Fort Madison administers the Telephone Rebate Fund, and their salary is paid from the Fund. Receipts in excess of expenditures remain in the Inmate Telephone Fund.

The inmate telephone system is tied to the Iowa Corrections Offender Network (ICON) banking module to ensure the offender's telephone account has sufficient funds to place a call. The inmate telephone system also is tied to the ICON security module to verify that the person being called is on the approved call list (Personal Account Number – PAN) list. All telephone numbers on the list are verified by DOC staff for security purposes and victim protection.

The call rate offenders pay is adequate for full cost recovery, and the DOC is required to comply with guidelines for inmate telephone systems issued by the Federal Communications Commission (FCC). The DOC also files the telephone rates charged to offenders with the Iowa Utilities Board (IUB). The Board of Corrections approves telephone rates charged to offenders. Telephone rates as of January 19, 2016, are \$0.11 per minute for a maximum cost of \$2.20 for a 20-minute call for local, intrastate, and interstate calls. International rates are higher and vary by country.

Offender Usage

Offenders are permitted to prepay for telephone minutes by establishing an offender telephone account. Deposits to the offender's account may be made by family, friends, or the offender. A 7.0% sales tax is deducted from each deposit to a telephone account. Offenders are permitted to have up to 25 telephone numbers on their PAN list, in addition to the telephone numbers for their attorney and the Office of Ombudsman. The PAN list may be updated weekly. Balances remaining in an offender's telephone account are credited to the offender upon leaving the state prison system. The DOC Offender Telephone Services website is: http://www.doc.state.ia.us/OffenderTelephoneServices.

The following table provides the number of calls and minutes by call type for FY 2016.

FY 2016 Data for Offender Telephone Calls

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Type of Call:	Number of Calls	Number of Minutes							
Long Distance	1,716,372	24,271,656							
Local Calls	104,973	1,418,110							
International	18,276	248,048							
Total	1,839,621	25,937,814							

More Information

lowa General Assembly: https://www.legis.iowa.gov/ lowa Department of Corrections: https://www.doc.state.ia.us

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Receipts and Expenditures

Receipts to the Inmate Telephone Fund averaged \$2,852,000 for the period of FY 2014 through FY 2016. The average annual balance brought forward (unspent balance) was approximately \$289,000 over that same reporting period. The three-year average annual expenditures from FY 2014 through FY 2016 from the fund were approximately \$2,564,000. The Board of Corrections has approved the following program expenditures from the Inmate Telephone Fund.

Inmate Telephone Fund Approved Program Expenditures by the Board of Corrections

\$ 750,000						FY 2014		FY 2015		FY 2016
750,000	\$	450,000	\$	450,000	\$	350,000	\$	350,000	\$	350,000
0		1,000		1,000		1,000		1,000		2,800
0		98,824		0		0		0		0
0		45,000		0		0		0		0
0		56,148		59,798		54,579		62,813		54,768
\$ 750,000	\$	650,972	\$	510,798	\$	405,579	\$	413,813	\$	407,568
\$	0 0 0	0 0 0	0 98,824 0 45,000 0 56,148	0 98,824 0 45,000 0 56,148	0 98,824 0 0 45,000 0 0 56,148 59,798	0 98,824 0 0 45,000 0 0 56,148 59,798	0 98,824 0 0 0 45,000 0 0 0 56,148 59,798 54,579	0 98,824 0 0 0 45,000 0 0 0 56,148 59,798 54,579	0 98,824 0 0 0 0 45,000 0 0 0 0 56,148 59,798 54,579 62,813	0 98,824 0 0 0 0 45,000 0 0 0 0 56,148 59,798 54,579 62,813

Receipts and Expenditures

	FY 2014	FY 2015	FY 2016	Average
Receipts	\$ 2,189,270	\$3,007,622	\$3,360,933	\$2,852,608
Expenditures				
Salary	54,787	54,768	64,345	57,967
Education and Support	 2,119,026	2,295,142	3,104,197	2,506,122
Carryover Amount	\$ 15,457	\$ 657,712	\$ 192,391	\$ 288,520

Related Statutes and Administrative Rules

lowa Code chapter <u>904</u> <u>201</u> lowa Administrative Code

Revised October 27, 2016